

Understanding the Annexation Process

Topics

- Annexation Statute Overview
 - Purpose
 - Review of Categories A, B, and C Annexations
 - Recent changes
- City-Initiated Annexations
 - Why and when consider them
 - Lessons learned and recommended procedures

Annexation Statute ABC's

- Idaho Code 50-222
- Legislative Intent: “Cities of the state should be able to annex lands which are reasonably necessary to
 - assure the orderly development of Idaho’s cities in order to
 - allow efficient and economically viable provision of tax-supported and fee-supported municipal services, to
 - enable the orderly development of private lands which benefit from the cost-effective availability of municipal services in urbanizing areas and to
 - equitably allocate the costs of public services in management of development on the urban fringe.

Annexation Statute ABC's

- Category A (Part I)
 - General Conditions:
 - All landowners have explicitly consented to annexation
 - Land must be contiguous to city limits
 - Not contiguous by a “shoestring” of railroad or highway right-of-way
 - May extend outside the area of city impact
 - Must be contiguous and must be included as part of the comprehensive plan
 - Procedural Requirements:
 - Legislative decision: No public hearing required
 - May use LLUPA hearing requirements if desired
 - Council must pass an ordinance
 - Ordinance to annex land
 - Ordinance to establish comprehensive plan designation and initial zoning

Annexation Statute ABC's

- Category A (Part II)
 - General Conditions:
 - All landowners have explicitly consented to annexation
 - Land must be contiguous to city limits
 - Not contiguous by a “shoestring” of railroad or highway right-of-way
 - May extend outside the area of city impact
 - Must be contiguous and must be included as part of the comprehensive plan
 - Procedural Requirements:
 - Legislative decision: No public hearing required
 - May use LLUPA hearing requirements if desired
 - Council must pass an ordinance
 - Ordinance to annex land
 - Ordinance to establish comprehensive plan designation and initial zoning

Annexation Statute ABC's

- Category B
 - General Conditions
 - Less than 100 separately owned parcels where not all owners have consented; OR
 - More than 100 separately owned parcels where more than 50% of owners have consented; OR
 - Lands are part of a moratorium or a water or sewer connection restriction
 - Procedural Requirements
 - Prepare and publish a written annexation plan
 - Minimum of 5 requirement elements listed in statute
 - Follow public hearing notice requirements required by LLUPA
 - Initial notice, however, must be published in the newspaper and mailed to every property owner with lands included in the annexation 28 days prior to the hearing and must include at least a summary of the annexation plan

Annexation Statute ABC's

- Category C

- General

- More
 - More
 - Land

- Procedure

- Prepa
 - Follo

- After
 - who

- consent
 - If more than 50% consent, City may pass the annexation ordinance



not consent to

property owner
at least a

landowners

0% now

Annexation Statute ABC's

- HB25 Change
 - Land, if five (5) acres or greater, actively devoted to agriculture, as defined in section 63-604(1), Idaho Code, regardless of whether it is surrounded or bounded on all sides by lands within a city, must have the express written permission of the owner.
 - Effective February 14, 2019

Annexation Statute ABC's

- What is considered consent?
 - Owner or owner's agent has executed and recorded a consent to annexation
 - Enclaved lands in Category A annexation
 - Implied Consent (Category B and C only)
 - Land is connected to water or sewer system operated by the city
 - Connection was completed before July 1, 2008; OR
 - Connection was requested in writing by the owner or owner's agent

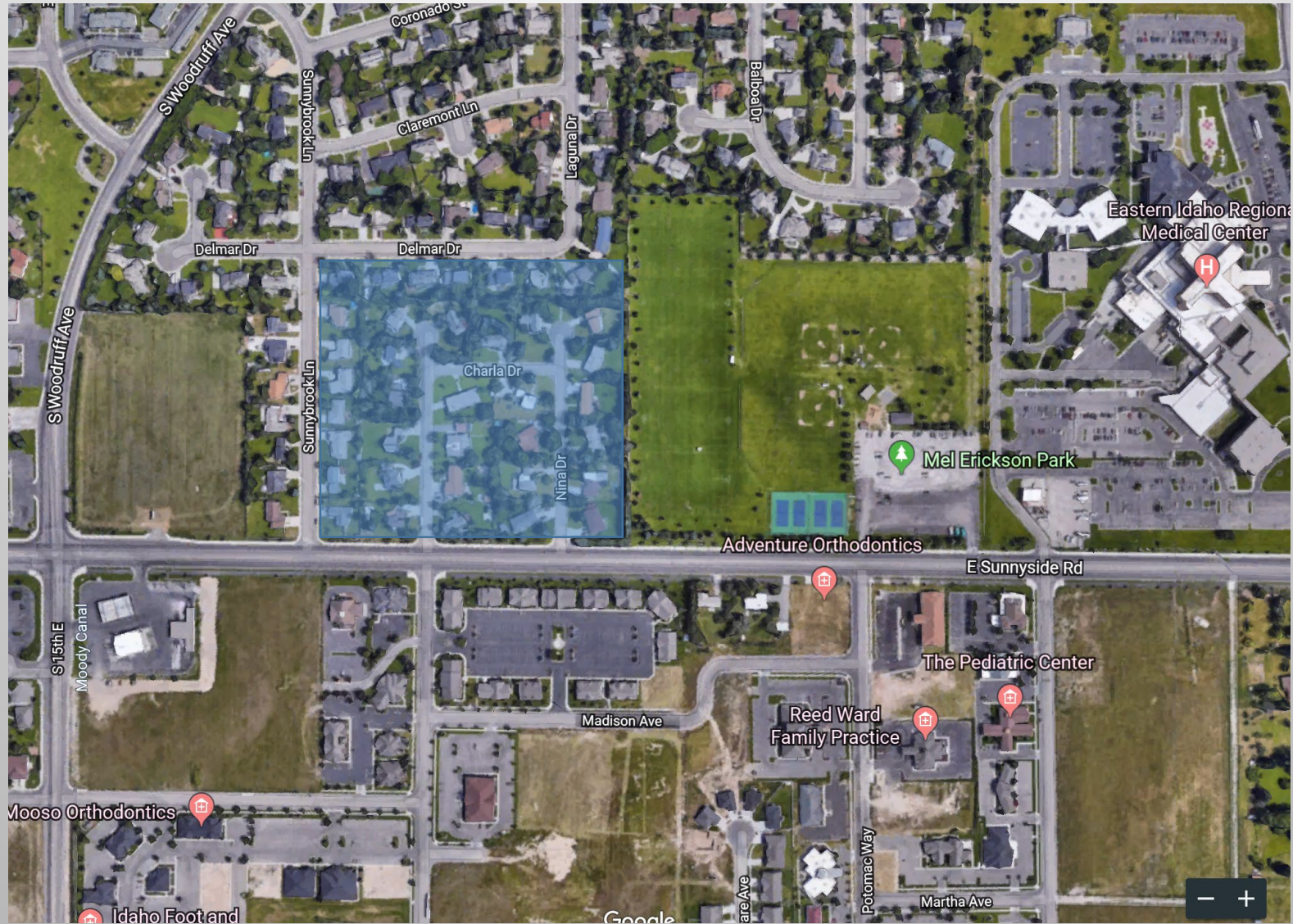
City-Initiated Annexations: Reasons to Consider

- Legislative Intent: “Cities of the state should be able to annex lands which are reasonably necessary to
 - assure the **orderly** development of Idaho’s cities in order to
 - allow **efficient** and **economically viable provision** of tax-supported and fee-supported municipal services, to
 - Leaving county “islands” served by other providers is not efficient
 - City services surround the island
 - enable the **orderly** development of private lands which benefit from the **cost-effective availability** of municipal services in urbanizing areas and to
 - **equitably allocate the costs** of public services in management of development on the urban fringe.
 - “Services” are more than just utilities. Police, fire, parks, libraries, streets, etc. are also services.
 - City residents pay for city services. They also pay for county services.
 - Residents in county islands benefit from the price paid by their city neighbors and increase the cost/decrease the efficiency of county services that directly affect their property.

City-Initiated Annexations: Reasons to Consider

- What benefit does your city provide?
 - Do your taxpayers get their money's worth for the taxes they pay?
- Are there city utilities extended into the county?
- Other utility providers may want to give up their stranded assets
- Has your city had a growth policy that has lead to lots of “islands?”
 - Is it tough tell when you are in or out of the city?
 - Are the snow plows lifting their blades block by block?
- Development opportunities
 - Idaho Falls-initiated annexation ultimately led to Costco locating in City

Find the County Island!



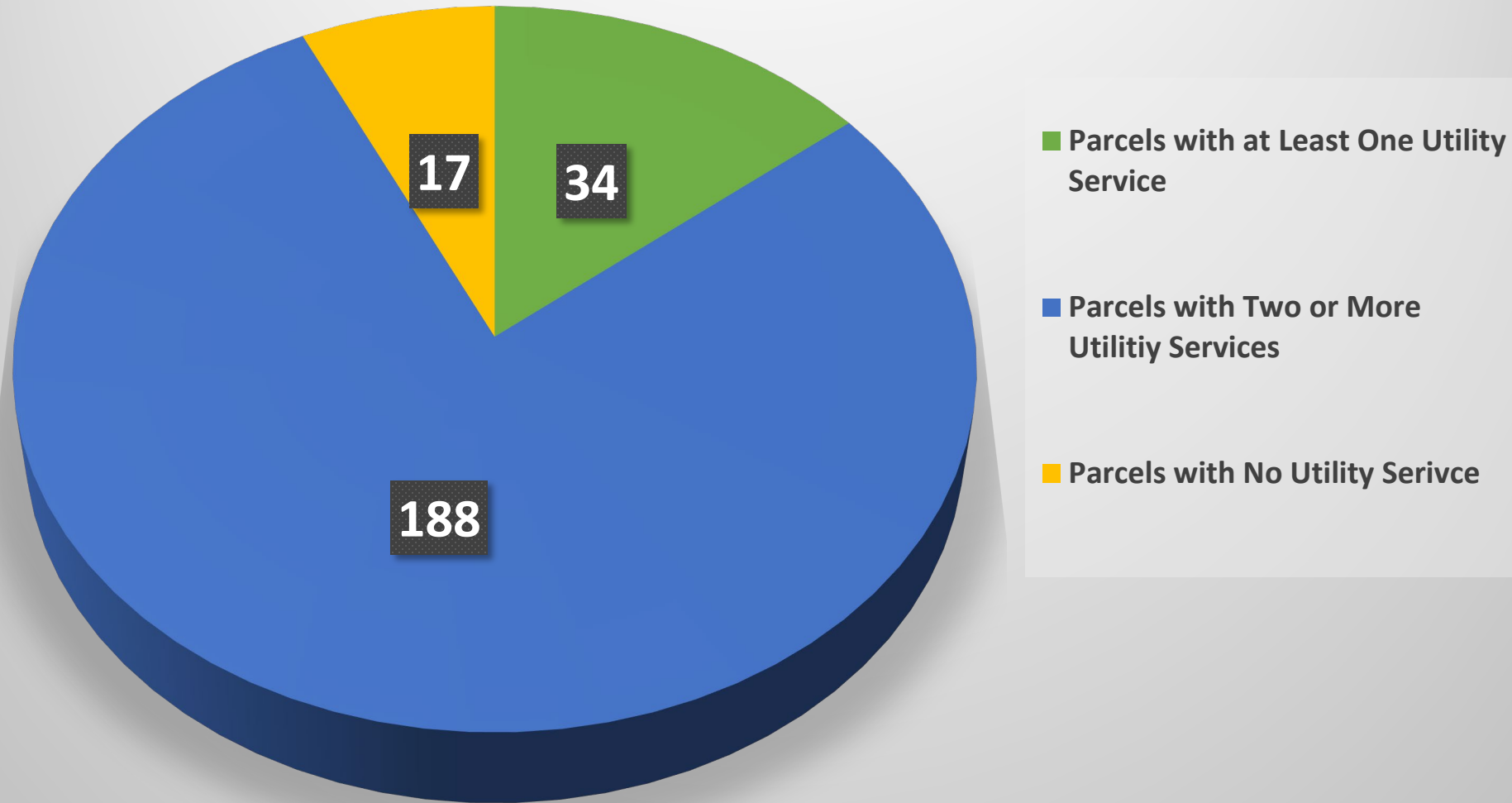
Find the County Island!



Find the County Island!



Parcels Annexed: Utility vs. No Utility



93% of parcels annexed have at least one utility service

City-Initiated Annexations: Recommended Procedures/Lessons Learned

- Early conversations about what you want to accomplish, why you want to accomplish it, and what you will support as elected officials
 - Consider a policy statement
 - Gives staff direction on how to proceed
 - Gives the public notice on what to expect
 - Talk with your county officials!
 - They don't have to support you, but you don't want them to actively oppose you
 - County residents will talk to them during the process so conveying your plan early is critical
- Once you've had the conversations and made a decision, stick with it (but don't overdo it....)

City-Initiated Annexations: Recommended Procedures/Lessons Learned

- Do lots of homework before you start
 - Especially if utilities are involved
 - What utilities are there?
 - How long have they been there? When were they connected?
 - Are there agreements signed by an owner agreeing to annexation?
 - Anticipate the questions and find the answers to them early
 - “How will this affect my taxes?”
 - “Why are you doing this?”
 - “What am I going to get after I’m annexed”
 - “Are you going to make me build roads and sidewalk? Are you going to make me connect to utilities”
 - Develop an FAQ sheet to send with plans and notices

City-Initiated Annexations: Recommended Procedures/Lessons Learned

- Develop an annexation plan template
 - Don't overcomplicate it
- Send notice to affected owners early on
- Conduct a neighborhood meeting!!!
 - Allow neighbors to come and hear the information from staff. Give them time to ask questions. Provide information
 - Staff and officials at the meeting must be genuine in their answers and information
 - After the meeting, direct staff to be open to further appointments, phone calls, emails, etc.
 - Each annexation will take hours! Be prepared to listen and have your story and answers ready

City-Initiated Annexations: Recommended Procedures/Lessons Learned

- Determine whether you will hold hearings for Category A, City-initiated annexations.
 - Not required by statute, but may be worth it.
- Make sure the Planning and Zoning Commission is clear on what the annexation policy is.
- Think early on about how you will prepare legal descriptions for annexation ordinances.
 - In-house capacity?
 - Private surveying firm?
 - Account for the time and potential cost in your plan

City-Initiated Annexations: Recommended Procedures/Lessons Learned

- In planning your schedule, look ahead and tell staff if there are times you want to avoid these hearings, but give staff reasonable opportunity to get the work done
 - Budget?
 - Elections?
 - Legislative session?

City-Initiated Annexations: Recommended Procedures/Lessons Learned

- During the hearings and in all messaging:
 - Don't focus on the "freeloader" argument, but don't ignore it
 - Be ready! The questions are easy to anticipate and prepare for before the meeting. Don't come without knowing your stance.
 - Remember the people NOT in the room
 - Don't back down just because people don't want to pay a higher tax
 - If you aren't willing to ask new people to pay, you need to explain to current residents why they have to pay
- Thank your Planning and Zoning Commission and your staff

Resources

- Givens Pursley Land Use Handbook:
<https://www.givenspursley.com/publications>
- Idaho Falls Sample Annexation Plan:
<https://www.idahofallsidaho.gov/DocumentCenter/View/7802/Annexation-Plan>
- Idaho Falls Statement of Annexation Principles:
<https://www.idahofallsidaho.gov/DocumentCenter/View/9090/Statement-of-Annexation-Principles-Final>
- Idaho Falls annexation hearing video:
<https://idahofallsid.swagit.com/play/05232019-1274> (follow link and click on “Item 6D 5” at the bottom of the list)